Bonds


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## Marginal Column

### NEHRU IN YALTA

By RAYMOND P. BRANDT

THE popular demonstration of welcome given to the Prime Minister of India, Mr. Nehru, last Sunday in the Crimean resort town of Yalta, illustrated the mutual courtship of the leaders of the Soviet Union and the leader of the third force in international affairs. The occasion was also a reminder that India at its present stage of development has much in common with the 200 million Russians and their succession of five-year plans for economic growth. Gaily-dressed vacationers and health seekers stood for three-and-a-half hours to get a 15-second glimpse of Mr. Nehru and his daughter as they drove in an open car over a newly paved street towards an embankment along the Black Sea. There were spontaneous cheers as the pair, obviously pleased at the enthusiasm, waved back to the crowd lined five deep on each side of the tree-lined street.

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AT the end of the street was a large red banner with white letters, reading: "Long Live the Peoples of India. Let the Friendship and Cooperation Between the Peoples of the Soviet Union and India become Stronger for the Good of Peace throughout the World." Along the embankment were two other street banners — the first read: "Long Live the Firm Peace among Nations." The other said: "Long Live the Prime Minister of India, Nehru."

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THE Nehru party landed from a large white yacht at 3:30 in the afternoon. Nehru and his party had flown from Moscow to Simferopol, an island town with an unpaved landing field, and motored to the sea-coast village of Alushta where they boarded the yacht which first took them to a pioneer city about eight miles from Yalta called Artek. The pioneers are children from nine to 14 years old who, if they make good credits, may become young Communists. Artek was founded in the early 1920's by Mr. Molotov. It is said to be one of the most beautiful spots in Russia and it looks it, nestling on the coast in the shadow of Bear Mountain, which resembles a bear drinking from the sea.

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THROUGHOUT his trip, Mr. Nehru has inspected schools, farms, hydro-electric projects, irrigation systems, hospitals, and industrial plants. India has embarked on its first five-year plan, primarily to develop its agriculture to become self-sufficient. Russia is completing its fifth five-year plan, which aims to increase output from 10 to 12 per cent annually so that by the end of 1955 it will have an overall increase of 70 per cent over 1950.

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IN one respect India, with its many nationalities, is like Russia was 40 years ago. About 82 per cent of the Indians are said to be illiterate, a condition in Russia under the Tsars. One of the great Communist achievements — many think it the greatest — has been the spread of education throughout the Soviet Union. India, with its over 400 million population, could learn from the achievements and the mistakes of the Soviet planned economy. Mr. Nehru has insisted, however, that it must be done by democratic methods. He also believes that he and his country can be the third force that can make coexistence possible between the Communist bloc, including China, and the Western and Eastern democratic world.

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ON this trip, which takes him to many parts of the Soviet Union, he is being given the full treatment by the Kremlin leaders. His name has been in the Soviet newspapers for years, and he is said to be the most popular foreigner with present-day Russians. Curiosity undoubtedly played a large part in Yalta's demonstration on Sunday, but any politician — and Nehru is a politician as well as an Indian and world statesman — would be flattered by its size and enthusiasm.

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## Jordan Marauders Throw Grenades Into Home

Jerusalem Post Reporter

KFAR SABA, Monday. — A miracle today saved the family of Avraham Huvsa from injury, or worse, when two hand grenades, thrown by infiltrators exploded in the room in which they were sleeping in nearby Moshav Naveh Yamin. The explosions were absorbed by a stout case filled with clothes and two smaller suitcases which rested on it.

At 1:15 this morning, only half-an-hour after Mrs. Huvsa had finished feeding her month-old baby and taken it to sleep with her, the father was awakened by a burst of fire.

He leapt out of his bed, which was right under the window, and threw himself to the floor when the window panes were shattered, followed immediately by two violent explosions.

Sharing the same room were Mrs. Huvsa's mother and her 18-month old child.

The family on arrival in Israel ten weeks ago was given the second to the last building of the village which is the settlement nearest the border in this area, where a Jordan National Guardsman was killed in a police ambush two nights earlier.

The room, which was used as a bedroom, was an extra one which had not yet been fitted with a window screen.

This is the first serious incident at the moshav. Strangely enough, though the glass was smashed, an alarm clock standing on the boxes was discovered to be still going when the family lit a paraffin lamp to see whether they were safe and sound.

(An investigation in which U.N. Observers participated today revealed tracks of two persons leading from the Jordan border to the moshav and back to the border. Cartridge cases were found in the house of the Huvsa's neighbour, showing that the Jordan saboteurs fired into the house before throwing the grenades into the Huvsa home, it was officially announced).

### Jordan Blamed For Guardsman's Death

The Israel-Jordan Mixed Armistice Commission yesterday blamed Jordan for the incident near Kfar Saba on Friday night when a Jordan National Guardsman was killed 300 metres inside Israel territory.

The M.A.C. adopted an Israel resolution stating that during Friday night, members of the Jordan regular forces had crossed the demarcation line into Israel in the Naveh Yamin area, and that the N.C.O. was shot when he encountered an ambush 200 metres inside Israel. The M.A.C. decided that this action was a violation of the Armistice Agreement and called on Jordan to ensure that such violations should not recur.

A Jordan resolution claiming that an Israel patrol had crossed into Jordan, abducted, and shot the National Guardsman, was rejected.

## UN Observers Study Kissufim Blast

By Our U.N. Reporter

U.N. Observers yesterday made an on-the-spot investigation at Kissufim of the exploding of the water pipeline and the cutting of the telephone line there on Sunday night. It is learned that tracks led in the direction of the Egyptian border.

The Israel-Egyptian Mixed Armistice Commission will meet today in emergency session in connection with the five or six complaints pending since May 20 and in continuation of its action to clear the agenda. There may be a discussion whether to give precedence to the Kissufim incident.

Meanwhile, no reply has yet been received from the Egyptians on Israel's four proposals set forth on the reduction of border tension. The proposals were forwarded to the Egyptian Government by Major-General E.L.M. Burns, Chief of Staff of the U.N. Truce Supervision Organization, on Saturday.

The U.N. spokesman commented last night that the Kissufim

(Continued on Page 2, — Col. 2)


WARNING

Imitations of the
Vita "Boston"
CHICKEN SOUP
have appeared on the market

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*Mayor Robert Wagner in the Strauss Health Clinic, Jerusalem, where nutrition is being taught to mothers. Dr. Kalman J. Mann, Director-General of the Hadassah Medical Organization, (with back to camera) explains to Mr. Wagner, while Mrs. Wagner (right) looks on.* Photo by Meyerowitz.

## Wagner Made First Honorary Fellow of Bar-Ilan University

Jerusalem Post Staff

TEL AVIV, Monday. — The first honorary fellowship from Bar-Ilan University at nearby Kfar Ono, was conferred upon the Mayor of New York, Mr. Robert Wagner, when he and his wife visited this still unfinished seat of learning this morning. The University, which is sponsored by the Mizrahi Organization of America, will be opened in September.

Replying to the welcoming speech of Dr. Pinhas Churgin, President of Bar-Ilan, the visitor said that he accepted this "signal honour with humility and with understanding and I will continue to work for the completion of this University and for cooperation between the peoples of Israel and the U.S."

The Mayor, who stated that he hoped to return to Bar-Ilan many times, stressed the necessity for good religious training, particularly for the young.

Rabbi Unterman, Chief Rabbi of Tel Aviv, in his address of welcome, stated that faith in divine providence was quite compatible with worldly wisdom.

Among the many distinguished guests at the ceremony were Members of the Knesset, representatives of the Foreign Ministry, and the U.S. Embassy, and leading local citizens.

Mayor Wagner left for Jerusalem following the ceremony. On the way, the party stopped at Mesilat Zion, a settlement at the entrance to Sha'ar Hagai inhabited mainly by Cochin Jews.

Mr. Wagner, shielded from the burning sun by a black umbrella, was taken by the festively dressed gathering to the synagogue, where he was blessed. A Scroll of the Law was shown him, and he was presented with a Bible.

Arriving in Jerusalem 45 minutes late, the convoy sped on to the Strauss Health Centre for mother and child welfare, where the Mayor was taken through the various departments. From the roof of the Centre he was shown the Hadassah institutions on Mt. Scopus.

At this point, Mr. Wagner went on to the new Hebrew University campus while Mrs. Wagner was taken to Hadassah's Beligaberg School where she was presented with a white and gold scarf specially woven for her.

At the Hebrew University, Mr. Wagner was received by President B. Mazar and other University officials and professors. He was shown the plan for the new campus, and was presented with

(Continued on Page 2 Col. 6)

## Eliashiv Succumbs To Long Illness

TEL AVIV, Monday. — Dr. Shmuel Eliashiv, former Israel Minister to Moscow, and Assistant Director General of the Foreign Ministry, died today in Bellinson Hospital after a prolonged illness.

Shmuel Eliashiv (he changed his name from Friedman in 1940) was born in Pinsk in October, 1899. After studying at Kharkhov and Toulouse universities, obtaining a doctorate in jurisprudence, he became director of the Jewish National Fund office in Lithuania. From 1927-33 he was in private legal practice in that country, where he was chairman of the Zionist Socialist Party.

He came to this country in 1934. In 1945 he became a member of the Histadrut Executive and on the establishment of the State was appointed Director of the East European Division of the Foreign Ministry.

Eliashiv represented Israel in Czechoslovakia and Hungary as Minister from July, 1950 to April, 1951, when he became Minister to the Soviet Union. He returned to the post in October 1953 after restoration of the diplomatic relations broken off by the Soviet Union in February of that year. He was elevated to the rank of Ambassador in June, 1954, and retired from the post last February.

He served with the Israel delegation to the U.N. General Assembly in 1950 and 1952. In 1952, he published a book in Hebrew "The New Soviet Literature."

The deceased was a member of the Zionist Congress Court.

He is survived by his wife, Rahel (nee Margolin) and a son.

The body will be taken from Bellinson Hospital at 5.30 tomorrow on a police tender to the Histadrout Building in Rehov Arlosoroff. The public may pay their respects to the deceased from 9-9.45 a.m., after which Mr. M. Namir, the Histadrut Secretary-General will speak. At 10 a.m. the funeral will leave for the Nahlat Yitzhak cemetery.

The Knesset, at the opening of its session yesterday, rose in tribute to Dr. Eliashiv.

**Prime Minister's Tribute**

"With the death of Eliashiv the Foreign Ministry has lost a valued and greatly admired colleague," said Mr. Sharett last night. The Prime Minister described him as a man of "high morale and spiritual authority."

The State of Israel, Mr. Sharett continued, has lost a devoted servant and inspired representative, who reflected great credit on the State. He had been in the forefront of the Histadrut, and in the social and cultural spheres of the country; he had drawn his inspiration from a solid Jewish heritage, from the very roots of Zionism, and the ideological treasures of the Jewish labour movement.

Mr. Eliashiv's mission to Moscow, with all the convulsions that had fallen to it, had presented a profound challenge which he had met with dignity and wisdom, Mr. Sharett added, concluding that he had succombed while still in his prime, to the great grief of his colleagues and admirers who shared in the mourning of his family.

### The Weather Man Was Right

The *Sharav* was long and heavy. Why go on suffering all summer, when you can afford to equip your home with an "Emerson" Room Air Conditioner?

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## Knesset Provides New Inducements To Foreign Capital

Jerusalem Post Knesset Reporter

Foreign investors are given further inducements to put up capital for Israel enterprises under an Amendment to the Law for the Encouragement of Capital Investment adopted by the Knesset yesterday.

The Bill was supported by the Coalition parties and opposed by the Left Opposition. Herut was absent. Speakers for Mapam, Ahdut Ha'avoda and the Communists argued that the present law encouraged speculation rather than real investment of foreign capital. All of their amendments were defeated.

Enterprises already approved may also be granted the new privileges, if so decided by the Investment Centre.

The chief provisions of the Amendment are:

- Approved enterprises will benefit automatically from all privileges granted such enterprises, and will not require the specific authorization of the Minister of Finance.
- Loans in foreign currency, given for at least 10 years, will be considered investments. Not only the interest, but 10 per cent of the principal, may be withdrawn by the investor each year.
- Approved companies, like approved individuals under the present law, will be exempt from income tax, and will pay only corporate profits tax for the first five years.
- Corporation dividends need not be distributed for the first 10 years, and will be exempt from income tax for such period.
- Exemption from agricultural property tax is extended to approved plantations of industrial crops.
- Plantations will be exempt from income tax for five years, beginning with the first year they bear fruit.
- The changes will also apply to expansion of existing enterprises.

**Voting by Police**

Another amendment to the Knesset Election Law passed its first reading last night. It provides for the establishment of special polling places for policemen and for their voting by means of double envelopes.

The Bill was presented by the Minister of Police, Mr. B. Shitrreet, and not by the Minister of Interior, within whose province elections come. Mr. Shitrreet explained that policemen would be too busy on Election Day to go to their home districts to vote.

Opposition to the Bill was expressed not only by Ahdut Ha'avoda, Mapam and the Communists, but also by the General Zionists. All doubted that special arrangements were needed for policemen, and pointed to the possible dangers of the double envelope system.

**Other Bills**

The following Bills passed their final readings:

Bill of State Guarantees—extends to the end of the present fiscal year the right of the Minister of Finance to issue guarantees for loans in the name of the State.

Palestine Electric Corporation Bond Bill—authorizes the Treasury to guarantee the repayment of IL30m. worth of P.E.C. bonds.

Urban Property Tax Bill—reduces the tax on vacant land and extends the other provisions of the present law for two years.

The act to validate the election of Chief Rabbi Nissim was tabled in the Knesset yesterday. It makes valid all elections to the Chief Rabbinate since December 1, 1948, (not 1936, as reported yesterday).

## Mapai Basing Elections Appeal On Broad National Issues

Jerusalem Post Bureau

TEL AVIV, Monday. — Mapai will appeal to the electorate on broad national issues rather than indulge in petty promises, according to Mr. David Ben-Gurion, the Minister of Defence, and Mr. Levi Eshkol, the Minister of Finance, who addressed a rally of party keymen here today.

The meeting was presided over by Mrs. Golda Myerson, Chairman of the Mapai Elections Committee. Before the proceedings began, she eulogized Shmuel Eliashiv, who died today.

Mr. Ben-Gurion stated that the nation must realize that the fusion of the immigrants into a cohesive national entity must be performed quickly and that the waste land of the country must be populated in order to maintain the security of the State.

Israel, he declared, would not start a war with her neighbours, but in view of the unstable regimes of the Arab countries, none of whose Governments represents the people, war is not impossible. A victory by the Arabs would mean the annihilation of all Jewish population of Israel, so that everything should be sacrificed to stop the enemy at the borders.

Mr. Ben-Gurion said that regional representation and the personal guidance given to new immigrant settlements by the younger members of the moshav movement were essential for achieving this security.

Regretting the split in the Labour movement, Mr. Ben-Gurion explained that the "revolutionary socialism" slogan adopted by some Labour parties could lead only to such kind of "democracy" in which Mr. Mikunis, the Communist leader, could govern.

Mr. Eshkol said that Mapai was the only serious party capable of honouring the promises it made. Most of the achievements of the past seven years redounded to its credit and to that of those of its associates who chose to shoulder part of the responsibility, part of the time. Mapai had to build as best it could — making mistakes at times, he admitted — battling against objective difficulties as well as against uncertain allies. Mr. Eshkol added that he was sorry that the Finance Ministry's check of the dealings of the Ministry of Commerce and Industry was not thorough enough. A "strong-er searchlight" to look into the alleged traffic of licences should have been installed, he said.

As for the Mapai programme for the next four years, according to Mr. Eshkol, it included the irrigation of another 800,000 dunams in addition to the one-million dunams put under irrigation so far; developing new industries by assigning "many hundreds of thousands of pounds" of public money to them; settling 10,000 families on the hills and developing some one million dunams of hilly land.

"We would welcome any private investment in the basic necessities of this land," Mr. Eshkol said, "but we entertain no illusions on this score."


FROUMINE'S
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Biscuits


The Ministry of Foreign Affairs

announces with deep sorrow the untimely passing of

**Dr. Shmuel Eliashiv**

Assistant Director General

and formerly Israel Ambassador to Moscow

# Arms Race Cannot Secure World Peace—Eisenhower

## Will Seek Solution at Geneva

SAN FRANCISCO, Monday. — President Eisenhower today appealed to the world for an end to the present "race in armaments." He was addressing the opening session of the 10th anniversary meeting of the United Nations.

The President said: "We think, with the rest of the world, that a nation's vision of peace cannot be gained through any race in armaments. The munitions of peace are justice, honesty, mutual understanding and respect for others."

Referring to the Big Four "summit" conference at Geneva next month, he said, "Whether or not we may then reach initial decisions on armament dismantling of the terrible apparatus of destructive weapons perfected since the end of World War Two, I do not know. We shall work with all others — especially through this great organization, the United Nations — so that peaceful and reasonable negotiations replace the clash of battlefields.

"In this way, we can in time make unnecessary the vast armaments that — even when maintained only for security — terrify the world with their devastating potentiality and tax unbearably the creative energies of men.

"As some success on disarmament is achieved, we hope that each of the so-called great powers will contribute to the U.N., for promoting technical and economic progress of the less productive areas, a portion of the resultant savings in military expenditures."

President Eisenhower also appealed for an end to attempts by one government to subvert or infiltrate others.

Today's session was held under the chairmanship of Mr. Eloo van Kleffens of the Netherlands, who appealed to the delegates to avoid introducing a controversial note into the meeting. He pointed out that it was an unofficial gathering and not a formal meeting, and urged delegates to "observe that moderation of language which alone can prevent new stresses being added to those existing."

Prayers for world peace were opened yesterday by representatives of six religions on the eve of the U.N. celebrations. With thousands looking on, diplomats took part in a "festival of faith" in San Francisco's sports arena and exhibition hall. Prayers were offered by those of the Buddhist, Bahai, Christian, Hindu, Jewish and Moslem faiths.

## West's 'Novel' Plan For Big Four Talks

SAN FRANCISCO, Monday. — The three Western Foreign Ministers late today will present the Soviet Foreign Minister with a "novel" and unconventional plan for procedure at the Big Four Heads of Government conference in July, an authoritative source said here today.

The plan, agreed upon in detail by the British, French and U.S. Foreign Ministers, will be presented in writing to Mrs. V. M. Molotov after dinner tonight at the opening of the Big Four Foreign Ministers talks in San Francisco during the U.N. 10th anniversary meeting. According to this unconventional plan, the Heads of Government at the opening of the Geneva conference will plunge straight into four separate reviews of world tensions without any agenda or any attempt to reach an agenda.

The only concession to normal diplomatic procedures will be agreement beforehand that the chairmanship of each day's session in Geneva will rotate between the four Heads of Government.

## Grandval Replaces Lacoste in Morocco

PARIS, Monday (Reuter). — M. Gilbert Grandval Ambassador to the Saar, was appointed Resident-General in Morocco tonight, in succession to M. Francis Lacoste, it was officially announced.

The announcement was made after a Cabinet meeting to choose a Resident-General strong enough to carry out reforms. M. Grandval is the sixth Resident-General of Morocco since the end of World War II.

While the Cabinet met, terrorism continued to strike down victims today in Morocco.

A watchman and a bodyguard died in hospital in Casablanca after a group of terrorists surrounded them in the street last night and opened fire from all sides. A bomb exploded this morning in an apartment building in the European quarter of Casablanca, causing considerable damage.

It was also reported in Casablanca that M. Jean Delrieu, a former chief inspector of police, was arrested after his sub-machinegun was alleged by the authorities to have been used in five attacks on Moroccans. A bomb explosion in Meknes killed one man and wounded another, and he would receive only his investment back. There were more profitable ways of investing savings than in agriculture, Mr. Eshkol said.

### 'Nahlaot' Scheme Criticised

Criticism of the "Nahlaot" scheme and of three other agricultural associations whose members are chiefly employees of the Government, the Jewish Agency and other public institutions, was contained in a report submitted by the State Controller, Dr. S. Moses, to the Prime Minister, Mr. Moshe Sharett, last week. The report and a reply by the Finance Minister, Mr. L. Eshkol, to several points made by Dr. Moses were published simultaneously yesterday.

The Controller who worked in cooperation with the Jewish Agency Controller stated that the principle of leasing Government lands to civil servants only for their immediate housing or settlement was not assured within the existing legal framework of these associations. Members of the association may view their membership as an investment of savings, assisted by the allocation of national land and loans from public budgets.

Mr. Eshkol declared in reply that the draft contract with the Jewish Agency Settlement Department obligates the member to settle on the land within six years. After that time his rights to the land would be forfeited

### TREASURY DIRECTOR VISITING 4 STATES

The Director-General of the Ministry of Finance, Mr. Pinhas Sapir, who is also the Director-General of the Shilumim Corporation, flew from Lydda Airport yesterday for a four-week visit to Germany, Switzerland, Britain and the U.S. on Treasury and Reparations business. In the U.S. Mr. Sapir will take part in Jordan water development talks with Mr. Eric Johnston, President Eisenhower's special envoy, Itim reports.

Mr. A. Wiener, Chief Engineer of Mekorot, also left for the U.S. in connection with the talks with Mr. Johnston.

## 'Most Profound Moral Change in Our Day'

"The presence of a sovereign Jewish state amidst the family of nations constituted the profoundest moral change that had taken place in the international scene in our day."

This was stated by Mr. Abba Eban, the Israel Ambassador to the U.S. and head of Israel's U.N. delegation in a recorded broadcast over Kol Yisrael yesterday marking the 10th anniversary of the founding of the U.N.

Tracing the history of the U.N. from its beginnings the Ambassador recalled that at its first session in San Francisco "the one nation that had given to mankind those eternal values enshrined in the U.N. Charter was absent." The future chroniclers of Jewish history would stand astounded "at this miraculous leap forward from the depths of despair and weakness to the dizzy heights of the rebirth of Jewish sovereignty in our time," Mr. Eban said.

Despite strong Arab representation at the U.N., and our undoubted difficulties and setbacks, our record there was not merely one of suffering and failures, the Ambassador maintained, listing the achievements of Israel in the international arena in putting her own case, creating bonds of friendship with most nations of the world and receiving a generous measure of assistance in particular from the U.S., he said.

The Israel Ambassador, Mr. Abba Eban, will address today's session, at which he will hail Israel's presence at the commemorative meeting as "an act of historic remedy." (Mr. Eban's address will be published in full in tomorrow's issue of *The Jerusalem Post.*)

## Scelba Reshuffling Italian Cabinet

ROME, Monday (Reuter).—The members of Italy's 18-month-old centre coalition Government tendered their resignations today to enable Prime Minister Mario Scelba to reshuffle the Cabinet.

The Ministers handed in their Democrat Premier at a Cabinet meeting.

Mr. Scelba immediately began talks with representatives of the three parties to choose new Ministers.

The reshuffled Cabinet will probably again consist of Christian Democrats, Liberals and Social Democrats. The small left of centre Republican Party, which has been asked by the Christian Democrats to join the new Government, is likely to stay out.

### Situation in Argentina Normal, Army Reports

BUENOS AIRES, Monday (UP). — An official communique issued here today by the Command of the "Forces of Repression" headed by General Franklin Lucero said today that the situation in Argentina is returning to normal.

It added that all rumours of a march of army units on Buenos Aires, attacks by or against the fleet or uprisings in the interior, are without foundation. All naval units which did not take part in Thursday's revolt remain loyal to the Government and are standing by at their bases.

Reports from New York, however, stated that the U.P. Vice-President for South America, Mr. Thomas Curran, had said in a telephone conversation from Buenos Aires that the Argentine capital is filled with rumours of all sorts, none of which can be confirmed. He added that the reported imminent fall of President Peron was "pure guesswork." (Reports mentioned a struggle behind the scenes in which Mr. Peron may be ousted by a military junta led by Gen. Lucero).

## Britain, U.S. to Exchange Atom Defence Knowledge

LONDON, Monday (Reuter). — Britain and the U.S. will exchange a range of information on atomic defence and related topics when they partially lift the veil of atomic secrecy, it was disclosed today.

Two Government White Papers (parliamentary documents) issued here gave details of the Anglo-American agreements signed in Washington on June 15.

Under these, the two countries agreed to cooperate in the development of atomic energy and to exchange information for mutual defence purposes. But there will be no swapping "of know how" on the making of atomic weapons.

## Clouds Ruin Observations Of Sun's Eclipse

NEW DELHI, Monday. — The longest total eclipse of the sun for 1,250 years today was spoiled by thick clouds for hundreds of scientific observers from many countries watching it along its path in South-East Asia.

In Ceylon, scientists from many countries were mainly disappointed. A Swiss team at Polonnaruwa flew its flag at half mast to signal failure, but an American team from Harvard University in a jungle clearing in central Ceylon said important infra-red spectral studies will probably be successful.

The total eclipse was seen only through fleeting breaks in Monsoon rain clouds in Rangoon, Burma, bringing a spate of gloomy predictions from Burmese soothsayers and astrologers.

Burmese meteorologists and astronomers in an Air Force plane made observations above the clouds.


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## Social & Personal

The President yesterday visited the library of the Yeshurun Synagogue, Jerusalem, where he was welcomed by Dr. K. Wormann, Director of the National Library, to which the Yeshurun Library is attached, and members of the synagogue's managing committee.

Mrs. Ben-Zvi gave a reception yesterday for 400 women residents of Lydda and Ramle.

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Mr. Sefkati Istiyell, the Turkish Minister to Israel, and Mr. Hassan Ali Yucel, the former Turkish Minister of Education, visited the Weizmann Institute of Science in Rehovot yesterday.

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Dr. J. E. Piccrno, member of the Argentine Parliament, lectured on his country at the School of Law and Economics in Tel Aviv last night.

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*DEPARTURES:* Mr. Gideon Rafael, Adviser to the Foreign Ministry on Middle Eastern and U.N. Affairs, for Cyprus and Europe on Foreign Ministry business; Mr. Jack Cohn, President of Columbia Pictures, accompanied by Mrs. Cohn and their son, European Production Manager of the Company, to the U.S. after a brief visit.

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Mrs. Rebecca Bender, of Philadelphia; Mr. Arthur Lubin, the American film director, and Mrs. Wallace Reid and Mrs. Lois McGuire, of Hollywood, were entertained on Sunday afternoon at the home of the Secretary-General of the Jewish Agency and Mrs. Eisenberg. Mr. Lubin, who is investigating the possibility of producing a film here, visited Beersheba yesterday.

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Mr. Y. Bar-Tal, of the Zim management, will speak on "The Growth of Israel's Shipping" at the season's final meeting of the Haifa Maritime Club aboard the s.s. Negbah at 1.15 p.m. today.

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An exhibition of 40 paintings, gouaches and pastels of Assia Woolf was opened at the *Foyer Culturel* of the French Embassy in Tel Aviv last evening by Mlle Elaine Fischer, Cultural Atache. Most of the works depict scenes in Israel or France.

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An exhibition of drawings by Sima Sionim will be opened at 5 p.m. today June 21, 1955, at the Mikra Studio, 56 Allenby Street, Tel Aviv.

### SARA SHAPIRO-EREL, 44

TEL AVIV, Monday. — The death occurred here today of Sara Shapiro-Erel, the pianist. She was 44. She is survived by her husband who is a painter, her son, parents, a brother in London and a sister in Adelaide.

The funeral will leave the Hadassah Hospital at 9.30 tomorrow morning.

The deceased was a graduate of the Reali School in Haifa and studied music in Berlin under Professor Artur Schnabel. She taught music in Tel Aviv.

### 50,000 SAW ISRAELIS BEAT 5, AFRICANS

LYDDA AIRPORT, Monday. — Fifty thousand spectators watched the 16 matches played by the Israel table tennis team during their 30-day tour of South Africa and Rhodesia, according to Mr. Y. Vardi, a member of the team who returned today.

Mr. Vardi reported that the team had played one "unofficial" game during its tour. Owing to the "special" conditions prevailing in the Union, a match against a team of the Indian community in Durban was not publicized. The result was a 5-0 win for the Israelis. *(Item.)*

### HIAS TO HELP GREEK JEWS IMMIGRATE TO U.S.

NEW YORK, Monday (JNA). — The United HIAS Service announced today an emergency programme to effect the immigration of Greek Jews to the U.S.

Many of the survivors of the Nazi wartime extermination are in "a deplorable state," according to Mr. Ben Tousier, President, with many living in houses without roofs, or in tents. He said that applicants would qualify under the Refugee Relief Act of 1953.

## Cinemas

**JERUSALEM**
At 4.30, 7.15 and 9.15 p.m.
ARMON: "Pigalle."
EDEN: Knights of the Round Table.
EDISON: Julietta, 2nd week.
ORGIL: So Big, 4th week.
ORNA: The Siege at Red River.
ORION: Giuseppe Verdi, 2nd week.
RON: Ring of Fear.
STUDIO: "Jeux Interdits."
TEL OR: Aaron Slick from Punkin Crick.
ZION HALL: "Les Enfants de Paimeur."

**TEL AVIV**
At 4, 7.30, 9.30 p.m.
ALLENBY: "L'Ennemi Public No. 1" 2nd week.
CHEN: Sabrina.
ESTHER: Kiss Me Kate.
MOGRABI: The Egyptian, 2nd week.
OPHIR: Flame and the Flesh.
ORION: Dial M. for Murder, 4th week.
TAMAR: The Man Between, 3rd week. Continuous from 9.45 a.m. to 9.45 p.m.: The Golden Blade.
TARON: "La Maison à Cinq Fenêtres," 7th week.
ZAHIR: "Notre Laiteur s'Adresse," 5th week. Continuous from 10 a.m. to 9.45 p.m. Out of the Past.

**HAIFA**
ARMON: Knock on Wood, 3rd week.
ORLY: Sliding (?).
RE DOR: Pool in the Sun.
ORION: Rowing Wild, 2nd week.
ATZMON: Rhapsody, 2nd week.
PEER: Ali Baba and the 40 Thieves, 2nd week.
GAL OR: Boris Arguelles Was Wanted. "The Girl Who Took the West."
AMPHITHEATRE: Demetrius and the Gladiators, 2nd week.
ORAH: "Secret d'Alexis," 2nd week.

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## LAW REPORT

*The Jerusalem Post, June 21, 1955*

**In the Supreme Court Sitting As Court of Criminal Appeal**
*Before the President (Justice Olshan), the Deputy President (Justice Cheshin) and Justice Sussman.*

Shmaryahu Porath, Appellant, v. The Attorney General, Respondent. (Cr.A. 60/55).

**Duty of Care Towards Licensees Defined**

The Supreme Court allowed an appeal against a verdict of the Tel Aviv District Court delivered on January 20, 1955, (Cr.C.1056/53) according to which the appellant was found guilty of unintentionally causing the death of a boy, and sentenced to eight months' deferred imprisonment plus IL.100 fine and IL.150 costs.

The appellant, Shmaryahu Porath, was in charge of all the water installations at Moshav Avihail, including the irrigation dam, where children and adults from the Moshav and surroundings habitually went swimming. The Moshav Committee decided to forbid the use of the dam for swimming, for reasons of health, and the appellant took strenuous steps to prevent access to the dam, fencing it off, putting up notices forbidding swimming and personally giving chase to those who ignored the warnings. After a while, however, when the swimmers continued to use the dam despite his efforts, he gave up in despair and "stopped making a fool of himself" — to use his own words. The dam continued to be a popular cooling-off place for the local populace, the notices fell into decay and the fence into disrepair. The wire-netting which had been placed over the mouth of the pipe, through which the dam was filled from the adjacent well and through which the water was directed to the fields, fell off and was fished out from the bottom of the dam by some of the boys of the Moshav, who dived for it at the request of Porath.

Then, on a hot day in September, 1953, when a group of 15-year-old youths were sporting in the water, one of them, in a boyish prank, sat on the mouth of the pipe, stopping the flow of water completely. By the force of suction so created he became firmly affixed to the pipe, his head being a few centimetres under the surface of the water. By the time he was extricated, after great difficulty, from the water he was dead, all efforts to revive him proving of no avail.

Porath, as being the person responsible for the dam, was tried in the District Court on a charge of unintentionally, by want of precaution, causing the boy's death, according to section 218 of the Criminal Code Ordinance, and found guilty.

Mr. S. Katz appeared for the appellant, Mr. G. Bach, Assistant State Attorney, for the respondent.

**Judgment**

The Supreme Court judgment was delivered by Justice Cheshin, who dealt firstly with the question of the deceased boy's legal standing with regard to the appellant. After quoting from two English precedents, he held that in view of the appellant's known attitude towards swimming in the dam, and in view of the principles laid down in the above cases the court would have been entitled to conclude that the boy had been a trespasser, and that the duty of the appellant towards him had, therefore, been minimal, were it not for the fact that the latter had, on one occasion, asked some boys who were swimming to bring up the netting which had stuck to the bottom of the dam. Since this action on the part of the boys necessitated their diving into the water, the fact that the appellant had asked them to do this, and had, in addition, promised to fill the dam completely on the following Shabbat in reward for their rescuing the netting, could have led the boys to believe, in all good faith, that the appellant had resigned himself to their swimming in the dam and that they could continue to do so in the future with what was tantamount to his permission. The boys were, therefore, not trespassers.

Justice Cheshin then considered whether the dead boy should have been regarded as a licensee or invitee. Having recourse to a series of English precedents and authorities and to the Retenstreich case, Cr.A. 35/52, P.D. 7/88 (to which the present judgment might be regarded as being in the nature of a sequel) he concluded that as the appellant had not invited the boy to the dam nor had the boy come there for some purpose in which the appellant was interested, but had come for his own purposes, and that initially against the will of the appellant who had later given his tacit consent only, therefore the boy was a licensee and not an invitee.

In dealing with the different degrees of duty to take care which is owed to a trespasser, a licensee and an invitee (the first demanding the lowest degree and the last the highest) Justice Cheshin held that the rule with regard to licensees is that they must take the premises as they find them, apart from concealed sources of danger, of which the owner or occupier must inform them. But where the dangers are obvious, they must run the risk of them. In applying this rule to the present case, the dam could not be considered as being particularly dangerous, since on the day of the tragedy it had been only a third or quarter full and was thus not very deep; nor was the pipe, as such, dangerous. And even if there were a certain element of danger, it was clear from the evidence that the deceased had been aware of this. While he deeply regretted the senseless loss of a young life, Justice Cheshin held that there was no escape from the conclusion that the victim had deliberately jeopardized his life and had virtually died by his own hand.

As for the argument that the appellant should have refixed the wire netting to the mouth of the pipe and in not doing so had been guilty of carelessness, it was true, Justice Cheshin said, that by so doing the tragedy might have been averted, but the appellant had not been in duty bound to do so since the boy had known that there was no wire netting and had, therefore, according to the principle laid down above, to take the dam as he found it with all the obvious concomitant risks.

In conclusion Justice Cheshin dismissed Mr. Bach's argument that, as the appellant had not been an occupier of premises but a licensee himself, he therefore owed a greater duty of care towards a fellow-licensee, holding that in the given circumstances his position was not worse than that of an ordinary occupier of property. He also dismissed the contention that the appellant was under an obligation, under section 232 of the Criminal Code, as a person in charge of a dangerous thing, to have used reasonable care and taken reasonable precautions to avoid endangering the safety and health of any other person. In this respect, Justice Cheshin held, firstly, that section 232 referred to movable property and not to a structure; secondly, that the term "dangerous thing" in this section referred to things which are intrinsically dangerous, such as explosives, etc.; and, thirdly, that even if the appellant had been careless — which he had not been — there was no connection between his carelessness and the death of the boy, which had been caused by his own foolish action.

The appeal was allowed and the sentence quashed.

Judgment given on June 14, 1955.

## Where to go

**JERUSALEM**

Your Lunch and Dinner at Hesse's Restaurant, Jerusalem, Tel. 4130. Excellent food and service. Oldest establishment in Israel. Dinner will be served on the terrace.

★ Exhibitions:—
"Conquest of the Desert" permanent exhibition of the former Israel pavilion of the International "Conquest of the Desert" Exhibition, 10-1, 4-6.

★ Fashion Show: —
Organized by the Anti-Tuberculosis League, President Hotel, 4 p.m.

★ Lectures:—
Hebrew University conducted tour, New Administration Building, King George Ave., opposite Terra Sancta, 10 a.m.

★ Lectures:—
Under the auspices of the Progressive Party, Dr. H.Y. Forder, M.K., on "Where does the Economic Situation lead us to?" Dr. P.J. Jacobi, former Town Councillor, on "The Renaissance of Jerusalem." Both lectures in Hebrew. Israel Touring Club, Talbieh, 8.30 p.m. Public is welcome.

**TEL AVIV**

★ Exhibitions:—
1) Aaron Priwer — Sculptures. 2) Laudo Padoa (Venice, Italy) — Paintings. 3) Rubin (Retrospective Show), Mesgun, 10-1, 4-7. Paintings by Yashayahu Dror, Katz Art Gallery, 97 Dizengoff Rd. 10-1, 4-7.

★ Entertainment:—
Cocktail Bar, nightly programme.

★ Theatre:—
Camert Theatre, "The Rain-Maker." New Camert Hall, 8.30 p.m. Diana Halperin in "Frol Mogn Frol" Ohel Shoshi, 8.30 p.m. Ohel, "They Knew What They Wanted."
Habimah, "King Lear," Habimah 8.30 p.m. (For Workers).

**HAIFA**

★ Exhibitions:—
Ayala and Sam Sacks collection, Municipal Museum, Town Hall, 9-1, 4-6. Daily: Conducted Tours at 11.30 a.m. & 4 and 9 p.m.

**KERYAT HAYIM**

★ Entertainment:—
Tennis Bar, Nightly Tennis Music Ramadin Chalom, Tel. 85115.

**JAFFA**

★ Theatre:—
Habimah, "In the Plains of the Negev" (under the auspices of WIZO) Jaffee Hall, 8.30 p.m.

**REHOVOT**

★ Theatre:—
Do-Re-Mi, "Bell in Berov," well-known operetta.

**RAMLE**

★ Theatre:—
Habimah Folks Bina with Ilana Rhamsenfeld and Amos Tutuola in "Bure Isinai from Jachanets." Allon, 9 p.m.

**NAHARIYA**

★ Theatre: —
Ohel, "Bure Isinai and Elected the Cabinet," Beth Jachanets.

*Yesterday's Press:*

## Doctors Reminded Of Hippocratic Oath

This country, writes "Ha'aretz" (Mizrahi), is accustomed to strikes and the doctors' stoppage (euphemistically called "passive resistance") as well as the standing threat on the part of other white-collar workers are only a continuation of the trend. While the paper sympathizes with the justice of their claims, it reminds the physicians of the Hippocratic oath.

Enumerating the advantages of the Gaza Strip plan, "Ha'aretz" (non-party) observes that Israel has recovered the initiative. Allowing the other side to make proposals while permitting ourselves to sit back and say "No" to them was a procedure that always placed us in a bad light. According to "Davar" (Histadrut), Israel has now done its part to alleviate tension in the Strip and the matter rests with the Egyptians and the Interested Powers.

"Zmanim" (Progressive) also hails the restoration of initiative and observes that the Plan, while effective and practicable, should not be viewed as an end in itself but as a stepping stone to further negotiations. "Al Hamishmar" (Mapam) notes that Anglo-U.S. sanction is the cause of Egyptian aggression.

**Argentina**

"Ha'aretz" discusses the revolt in Argentina. It is a mistake to view it as a *kulturkampf*, it feels, but rather as a political struggle between Peron and the Catholics who happen to constitute a very strong political force. The Navy intervened, "Ha'aretz" concludes, not because it is mainly Catholic but because it saw an opportunity to overthrow the Government.

"Lamerhav" (Ahdut Ha'avoda) calls attention to the fact that there are hundreds of thousands of Jews in Argentina and that their contribution to Israel and the Zionist movement is of no small value. The paper expresses its solicitude about their welfare and urges they be invited to come here at the earliest possible moment.

"Hamodia" (World Agudat) explains that the renewed Sabbath demonstrations are not a pre-election manoeuvre, as will probably be charged, but a reaction to the practice of taking bathers to the seaside in lorries on the Sabbath. This will not be tolerated, the paper warns, and greater demonstrations will take place unless the Sabbath violators desist.

"Herut" echoes Mr. Begin's demand for setting up a public commission of enquiry into the Arazi disclosure, saying that those who were unjustly accused of the murder of Haim Arlosoroff should at least have the satisfaction of being publicly exonerated. Alongside its leading article, the paper publishes Abdul Mejid's confession to the murder.

## *ON THE AIR*

**FIRST PROGRAMME**
(522, 249, 31.5 & 48.9 M.):

News: Reviews: 7 a.m. 1.30, 6.00, 6.15, 8.30 and 11.00 p.m. Arabic Programme (including News): 2 a.m. 1.15 & 6.30 p.m.

6.20 a.m. Service. 6.35 Exercise. 6.45 Musical Clock (R). 7.15 Melodies (R). 9.00 Close Down.

12.00 M. "Music at Noon" (R). 12.30 Housewives' Corner. 12.50 Light Music (R). 1.45 "From Dan to Eilat" (R). 2.30 Close Down.

4.00 p.m. Oriental Music (R). 4.15 Programme for Hospitals. 4.45 Light Music (R). 5.05 Agricultural Programme. 5.15 Languages Corner. 5.30 Children's Hour. 7.00 Folklore. 7.02 Health Programme. 7.30 Talk. 7.45 Noah's Ark. 8.15 Bible Reading. 8.45 The Week in the U.N. 9.00 Kol Tsrael Orchestra, Israel Police Band, Kol Zion Legnia Vocal Ensemble. The Jerusalem Workers' Choir: "Sacred Service" (Marc Lavry). Conducted by the composer. Soloist: Yeshoshua Zohar. 10.30 Short Story. 10.40 Nocturne (R). 11.10 Close Down.

**SECOND PROGRAMME**
(407, 469, 225, 216, 48.9 & 31.5 M. English News: 1.45, 10.00 p.m. French News: 2.00 p.m.

IMMIGRANTS' HOUR (33.3, 24.9 & 469 M.): 4.15 p.m. Programme for Yemenites. 6.30 French. 7.00 Yiddish. 7.30 Ladino. 8.00 Turkish. 8.15 Persian. 8.30 Close Down.

KOL ZION LAGOLA (48.3 M.): (South Africa Programme): 6.30 p.m. News. 6.40 "The Man in the Street" 7.00 Music for Dancing. 7.15 Close Down.

12.00 p.m. News. 12.10 "This also Happened." 12.15 UP & Coming. 12.50 Easy Hebrew Conversation.

ARMY PROGRAMME (44.6, 216, 225 & 329 M.): 6.30 Opening. 6.35 "Bow and Arrow." 7.00 Light Music. 7.20 "Corps to Corps." 7.40 Noah's Ark. 8.15 Light Music. 8.50 News. 8.45 Evening Tunes. 9.15 Dance Music. 10.00 Close Down.

B.B.C. HEBREW BROADCASTS: (16.79, 19.62, 16.85, 25.15 M.): 6.30-7.00 p.m. News. This England. Science and Technology.

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## Today's Post Bag

**THE WEATHER**

| | A | B | C | D |
|---|---|---|---|---|
| Mt. Cana'an | 39 | 19 | 39 | 39 |
| Tiberias | 38 | 23 | 40 | 40 |
| Haifa Port | 30 | 24 | 31 | 31 |
| Natanya | 31 | 21 | 31 | 31 |
| Tel Aviv Port | 79 | 21 | 29 | 29 |
| Lydda Airport | 35 | 15 | 33 | 37 |
| Jerusalem | 30 | 30 | 33 | 33 |
| Beersheba | 39 | 19 | 34 | 35 |
| Eilat | 39 | 27 | 42 | 42 |
| S'dom | 39 | 26 | 38 | 39 |

*A) Humidity at 9 a.m. B) Minimum temp. C) Maximum yesterday. D) Maximum temp. expected today.

* * *

**LOCAL AUTHORITIES** should set up youth welfare offices to provide clubs, playgrounds and activities for children outside school hours. This appeal was made by Professor Ben-Zion Dinur, the Minister of Education and Culture, in the first number of the journal "Behinuch U'vetarbut" (In Education and Culture) recently issued by his Ministry.

* * *

**SAMPLES OF** the locally produced cottonseed oil were recently sent to the President, the Prime Minister, members of the Cabinet, the Knesset Speaker and various institutions, by the Shemen Company. Not only the oil itself but also the bottles and the packing materials were locally produced, roof the company has announced.

* * *

**FOR STABBING** his wife eight times in the body and chest, David Aharon Levi of the Nahariya *moshava*, was sentenced to four years in prison by the Haifa District Court Judge, Mr. E. Sionim, yesterday.

### Further Drop In Unemployment

The average daily number of unemployed dropped by 575 to stand at 8,300 in the week ending June 10, the Ministry of Labour spokesman announced yesterday in Jerusalem. Of this number, 4,547 were unskilled labourers and 1,784 women.

Haifa was the largest centre of unemployment with 1,434; followed by Tel Aviv, 1,181; Jerusalem, 760, Ramat Gan, 457; Rehovot, 345; and Rishon le-Zion, 342.

### BLIND CALL OFF STRIKE

After a sit-down strike lasting for a few hours yesterday morning held by members of the Hatikva cooperative of the blind to back up their demands for larger working premises, Mr. M. Barselia, Director-General of the Ministry for Social Welfare, undertook to inspect the Jaffa working quarters which had been offered the cooperative. A few weeks ago, Hatikva promised to take on six more blind members on the basis of a Ministry agreement to provide larger work quarters in a Jaffa warehouse. The 100 square metre hall which the Ministry offered them a few days ago would not hold six persons in addition to Hatikva's present members, representatives of the cooperative stated.

### CHANGES IN MIKDAMA LOTTERY CONSIDERED

Changes in the lottery drawing arrangements for the special popular loan ("Mikdama") have been discussed by the Finance Ministry as a result of public complaints, a Ministry spokesman stated here yesterday.

There was nothing irregular in last week's draw, he said.

Only one per cent of the public had availed themselves of the opportunity to receive a bond bearing three per cent interest in place of the Popular Loan, it was revealed.

### Hanita Forest Fire Burns Four Days

NAHARIYA, Monday. — Many small isolated fires are still burning in the Jewish National Fund forest near Hanita, where a blaze broke out on Friday. The J.N.F. have put 15 men on duty in the area to prevent them from spreading.

The fire raged over 600 dunams, destroying about 16,000 oaks, as well as burning hundreds of carob trees which now are not expected to bear fruit for several years.

While playing with matches, a five-year-old boy set fire to three tons of wheat in the barn of Naim Hassan Shomri, in a Central Galilee village today. Damage is estimated at IL600.

### RATION NEWS

Sixth, Hadasa and North: Eggs: 2. Feb 17, temp. 5. Expectant mothers: 36, 39 and 20. Invalids: 4. Het Aleph 7; 8. Het Gimel 11; 8. Het Gimel 33. Goose: 400 gms. Tav Bet 37. Poultry: 800 gms. for children. Tuvia 38, temp. 40. Elderly persons: 500 gms., Mem Heh 16. Expectant mothers: 700 gms., Heh 11. Invalids: 800 gms. for each of coupons Het Aleph 7 and Het Bet 11.

## UN Grants Exceed $400,000 for 1955

Jerusalem Post Reporter

United Nations grants and technical assistance will top the $400,000 mark in 1955 with the announcement yesterday that an additional list of projects had been approved by the Technical Assistance Board.

Official announcement of the approval was made to the Prime Minister in Jerusalem yesterday by Dr. C Hart Schaaf, Resident Representative in Israel of the U.N. Technical Assistance Board.

The additional programme amounts to $78,070. Funds approved in January for 1955 amounted to $286,000, and these two sums together with technical aid under the regular programmes of the U.N. and its specialised agencies, bring the total aid to more than $400,000.

**12 More Experts**

In his announcement to Mr. Sharett, Dr Schaaf said, "Each of the additional projects represents an affirmative decision by the Technical Assistance Board with reference to a request placed before it by your Government. The projects will mean 12 additional experts for a total of 41 months, and 10 additional fellowships for a total of 83 months."

Among the experts requested by Israel are a Food and Agriculture Organisation expert in windbreak forestry who will advise on tree-planting problems in the Negev; an F.A.O. expert to advise on the production, packing and marketing abroad of table grapes, and a UNESCO library science expert who will continue to develop library science in the Hebrew University with a view to training librarians for larger schools, kibbutzim and adult education centres.

A phosphate engineer is to advise on the grinding and mechanical treatment of rock phosphate ore, and a rubber technician is to instruct on the regeneration of rubber. Another will deal with electrochemical treatment of water pipes, telephone cables and other underground metal installations in order to prevent corrosion.

The 10 additional fellowships will include two in public health administration, two in railroad operation, one in teacher training and one in civil aviation.

## 10,000 Tons of Wheat Come from US

Ten thousand tons of wheat arrived in Haifa on Sunday on the s.s. Eugene, the Ministry of Finance and the U.S. Operations Mission announced yesterday. This is the first consignment of American surplus agricultural products bought by Israel under a special $9.4m. agreement signed last April with a view to improving local food conditions. Three further shipments of wheat are due to arrive before the end of the month.

The agreement covers 30,000 tons of wheat; $30,000-worth of rice; 6,000 bales of cotton; $300,000-worth of tobacco; 3,000 tons of butter; $1.7m.-worth of fodder, and 2,220 tons of cottonseed oil. More than $1m. will be spent on transport costs.

Under the agreement, the Israel Government will set aside a sum equivalent to $9.4m. in local currency at the official rate. Half of this sum will be returned immediately as a long-term loan at a low interest rate for development purposes. The second half will be used by U.S.O.M. to increase the local potential to absorb food surpluses and for various educational purposes.

### HALUTZIM ON NEGBAH

HAIFA, Monday. — A group of French-speaking *halutzim* from France, Belgium and Tunisia who received farm training and took Hebrew lessons in France prior to their emigration, arrived here in the s.s. Negbah this morning. They belong to the Kibbutz Hameuhad movement and are joining Kfar Saold settlement in Upper Galilee. The ship also brought five immigrants from Argentina who are joining relatives and 8 Adults from France going to Ein Hashofet. About 152 tourists and returning residents also arrived.

### AGENCY EXECUTIVE GETS YEAR'S PROGRAMME

The absorption programme for the current year was submitted by Dr. G. Josephthal to the Jewish Agency Executive at its meeting yesterday under the chairmanship of Mr. Beri Loeker.

### SCAPEGOATS

HAIFA, Monday.—Rajja Hamed, of Tirat Hacarmel, was remanded for 15 days by the Magistrate's Court here today for killing 12 goats by stabbing them, out of hatred for their owner.

## Bank of Israel Shows Profit

A net profit of IL304,290 is shown in the Bank of Israel's first Annual Report issued yesterday.

As the State's central bank began operations officially on December 1, 1954, the first report of its Governor, Mr. David Horowitz, covers only one month's activities, but it includes the balance of accounts for the whole of 1954 insofar as they were conducted by Bank Leumi leIsrael, Ltd., until November 30 of that year.

Briefly surveying this initial period, the report confines itself to a summary exposition of its functions, and describes the gradual taking over of the Issue Department, Government accounts and supervision of banks and credit cooperatives.

It is noteworthy that the balances which banks must hold with the Bank of Israel, amounted on December 31 to IL63m., that is IL18m. above the statutory minimum.

The report stresses that regulation of credit in 1954 was an important factor towards stability of prices and currency, without adversely affecting production.

The balance sheet as at December 31 shows a total of IL301,863,696. The profit and loss account, which includes IL65,800 expenses for organization and an allocation of IL61,286 for reserves shows total receipts of IL320,543 (including IL280,000 as balance of the Issue Department of the Bank Leumi until November 30) leaving a net profit of IL304,290.

## Haifa Council to Meet Once a Month

Jerusalem Post Bureau

HAIFA, Monday. — The Town Council was now being called to meet only once a month in order to preserve its dignity, Mayor Abba Khoushy told Mr. Z. Zimmermann, (General Zionist) at tonight's Council meeting. Mr. Zimmermann had asked why the weekly meetings had been discontinued.

The Mayor said that in the past, the meetings had been on a high standard, but lately they had been turned into an arena. To prevent this, meetings would be held only once a month.

The Council received the report of the three-man commission which for eight months had been investigating charges against Z. Freilich, the Municipal Tax Department head. He was accused of accepting bribes from the Atzmon Cinema in the course of his duties as Amusements Tax collector. A majority decision of the Mapai and Mapam commission members decided that Freilich must institute legal proceedings against his accusers within one month, or be removed from his post, as only the Courts were competent to establish the whole truth of the matter. The General Zionist member found that the testimony appeared to prove Freilich's guilt, and the matter should be passed to the Attorney General. By a majority vote of the coalition, the Council decided not to discuss the report.

### ARMOURED CORPS ON HOLIDAY

TEL AVIV, Monday.—The first group of men of the Armoured Corps to spend their leave this year at the "Yona Camp" in the Independence Gardens here were welcomed at a celebration in the Gardens tonight. The camp is sponsored by the Tel Aviv Municipality, and contains living quarters, a clubroom and a private swimming pool.

The men were greeted by Mr. A. Shoshani, Deputy Mayor of Tel Aviv, on behalf of the people of the city, who have adopted the Corps, and by Mr. M. Bedolah, local chairman of the Soldiers' Welfare Committee. Sgan-Aluf Herz Yisrael, C.O., Tank Battalion, expressed his thanks on behalf of the men.

## KISSUFIM

(Continued from Page 1)

incident served to point up the need for action on easing border tension.

An especially grave view of the Kissufim incident was taken last night in Israel quarters owing to the purely military character of the attack. It is pointed out that for the past fortnight the border has been relatively quiet, and this new outbreak, together with its organized character, is particularly disturbing.

Placed in the light of recent Egyptian claims that Israel was causing all the trouble on the border, and accompanied by Egypt's refusal to answer Gen. Burns on his proposal for high-level meetings to bring tranquility to the border, the Kissufim incident serves to show the true nature of the border situation, it is said.

The sudden outbreak of Jordan attacks in the past few days after a much longer period of quiet is equally disturbing to Israel, particularly in view of the fact that here again the incidents were definitely of a military character and not merely "private infiltration."

The meeting of the Israel-Lebanon MAC which was to have taken place yesterday has been postponed until June 28. It was to have taken up the matter of the three Kibbutz Gonen hikers who are being held by the Lebanese. This postponement is to allow the MAC to consider outstanding complaints, on which investigations still have to be completed, together with the case of the hikers. The complaints include incidents of cattle-crossings from the Lebanon to Israel.

The four-point Israel proposal for easing the tension along the Gaza Strip is probably the best project ever submitted in this direction, the Old City daily, "El-Jihad," said in its editorial yesterday, the first Arab press comment on the topic.

But there was one hitch in the Israel proposal the paper maintained. It imprisoned the Egyptian forces behind barbed wire and minefields, an ideal way for Israel to tie down these forces and to keep them away from the "Palestine scene." Such a state of affairs would free Israel forces from the Gaza Strip and enable them to make trouble on the armistice lines with Jordan, Syria and the Lebanon, the paper concluded.

The waterpipes which were blown up were not the main pipeline, but the six-inch branch line leading to the kibbutz. The damage was not great, but water supply to the Negev settlements was cut off. After U.N. Observers had been to the scene, Mekorot began repairing the damage, Itim reports.

A NEWLY POURED concrete roof collapsed yesterday in the Mahanayim quarter of Jerusalem, slightly injuring two workers.

### J'lem Tears Down Posters, Bans Hens

Squads of Jerusalem Municipal inspectors yesterday began tearing down all election posters pasted illegally on private houses and walls, the Jerusalem Municipal Commission was informed at its meeting yesterday. Special hoardings for election posters are to be put up next week.

The Municipality, upon the request of the District Health office, has decided to ban the keeping of poultry within city limits. The ban does not apply to the suburbs, such as Kiryat Moshe and Beit Hakerem.

The Commission yesterday approved the appointment of Mr. Zvi Leibovitz, head of the Water Department, as head of the Engineering Department. He replaces Dr. Yehuda Berger, who recently resigned.

Mr. Leibovitz is to run both departments, which are to be gradually united. They are to move into the former Wise Baby Home building next week.

The Commission approved a motion to hire a blind person to run the switchboard at the new headquarters.

### HEARST SEES SHARETT, BEN-GURION, BURNS

Mr. William Randolph Hearst, Jr., the U.S. newspaper magnate, yesterday held conversations with Prime Minister Moshe Sharett, Mr. David Ben-Gurion, the Minister of Defence; and with General E.L.M. Burns, Chief of Staff of the U.N. Truce Supervision Organisation.

Later Mr. Hearst, accompanied by Mr. Kingsbury Smith, General Manager of I.N.S., toured the Gaza border.

### Compensation For Lift Vans

Persons whose lift vans were confiscated or destroyed in Italian ports during World War II will receive compensation under the Bill for the Compensation from Italy which passed its second and third reading in the Knesset yesterday. The Bill sets forth the procedure for the payment of claims, which will be administered by a special tribunal. A total of IL900,000 has been made available.

Two features of the draft bill which were criticised during the first reading were eliminated in committee. They would have authorised the tribunal to deduct from the awards its own administrative expenses and a fee for any incorporated body which had assisted claimants with their claims.

### GOLOMB MEMORIAL

TEL AVIV, Monday. — A memorial meeting on the 10th anniversary of the death of Eliyahu Golomb, the Haganah leader, was held in the Old Cemetery here this evening. Prime Minister Moshe Sharett, members of the deceased's family and Haganah veterans were among those present.

The Prime Minister and Mr. Y. Galili spoke at the graveside. Wreaths were laid by schoolchildren.

Mrs. Golda Myerson, the Minister of Labour, said at a Mapai rally today that the Party would endeavour to make Golomb's name and deeds familiar to all newcomers. His life, she added, was a symbol of what devotion to the country's ideals should be. *(Itim.)*

### DROBNY WINS IN WIMBLEDON OPENER

WIMBLEDON, Surrey, Monday (Reuter). — Results of first round matches in the All-England lawn tennis men's singles championships, which began here today, were J. Drobny (holder), Egypt, beat R. Buser, Switzerland, 6-3 6-1 6-2.

G. Merlo, Italy, beat I. McDonald, Trinidad, 6-0, 6-2, 6-4. G. Oakley, Britain, beat D. Oliver, Britain, 6-4, 6-2, 6-4. M. Davies, Britain, beat H. Bernstein, Britain, 6-1, 6-4. J. Ager, U.S., beat J. Ward, Britain, 4-6, 6-2, 6-4.

## University Faculty Striking Today

Jerusalem Post Reporter

The Hebrew University faculty, with the exception of full professors, is striking today to press its demands for higher salaries. Studies for 3,000 students will be almost entirely paralysed since only 44 professors are available to carry on instruction out of an academic staff, of 471. The Assistants will appear in laboratories but will not teach.

The Technion faculty will join the academic Civil Servants strike on Monday. They had originally intended holding their strike to coincide with the Hebrew University stoppage today, but decided to wait until Monday. The Technion strike will not be directed primarily against the Technion, but is in support of the general movement to improve the status of the professional and academic workers in Israel.

The State Legal Service yesterday confirmed its participation in the general strike of all academic workers.

Although the University strike comes shortly before the end of the semester, it is expected to be effective, since it will prevent the holding of examinations which extend well into the summer.

The Organisation of Associate Professors and Lecturers, with 127 members, met yesterday with the University President, Prof. Benjamin Mazar, and with the Executive Council in an effort to realise their demands. The Council, which called on them not to strike, informed them that it looked on their demands with "fullest sympathy." It hoped that salaries would be raised, but there was no discussion on concrete proposals.

The Associate Professors and Lecturers, who are Grade II and Grade III respectively in accordance with the Government wage scale, are demanding increases of IL150 and IL100.

The Organisation of Instructors, Assistants and Student-Assistants, which has 200 members, was the first to consider strike action at a meeting last week. Several days later, they were joined by the Associate Professors and Lecturers.

Instructors (Grade IV), Assistants (Grade VI) and Student-Assistants (Grade VIII) are demanding increases of IL75, IL60 and IL30, respectively.

Full professors (Grade I), who have not yet submitted their demands, are to meet tomorrow immediately after the Senate meeting in order to do so.

All clinics attached to Government hospitals have been closed because of the partial strike by Government-employed physicians, the Ministry of Health spokesman stated yesterday. Physicians in internal departments are being transferred to children's wards.

Services have also been reduced in surgery, orthopaedic and ear, nose and throat departments. Gynaecology divisions have stopped receiving patients. The maternity hospital in Safad is no longer receiving patients, expectant mothers in that city being referred to hospitals in Tiberias and Afula.

### CIVIL SERVANTS TOLD NOT TO ELECTIONEER

The Civil Service Commission yesterday published in Jerusalem instructions forbidding oral and written participation in the Knesset election campaign by civil servants from Grade 6 upwards; professional and administrative staff; employment staff of the Ministry of Labour; social welfare workers, and public health nurses.

The ban also applies to staff on paid or unpaid leave.

Electioneering is also forbidden within Government offices, whether by civil servants or outsiders.

These instructions follow upon the Cabinet's decision of June 5.

### *At The State Banquet*

In honour of the Burmese Prime Minister, Mr. U Nu, at the King David Hotel in Jerusalem, the natural mineral water KABRI was served to our honoured guests.

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TIBERIAS: A. Klein, Tel. 33
RAANANA: Harav Adler, Merkaz.

## WAGNER

(Continued from Page 1)

the University's publication on the Dead Sea Scrolls, edited by the late Prof. E. L. Sukenik.

The Mayor's party was entertained to lunch by the Prime Minister and Mrs. Sharett. In addition to Mr. and Mrs. Wagner and their entourage those present included the U.S. Ambassador, Mr. Edward B. Lawson; Mr. Bert Locker, Chairman of the Jewish Agency Executive, and Mrs. Locker; Mr. and Mrs. Gershon Agron; Dr. Giora Josephthal, Jewish Agency Treasurer; Mr. Theodore Kollek, Director-General of the Prime Minister's Office, and Mrs. Kollek; Mr. Arthur Lourie, Assistant Director-General of the Foreign Ministry; Mr. Semah C. Hyman, newly appointed Consul-General in New York City, and Mrs. Hyman; and Miss Esther Herlitz, Consul in New York.

In the afternoon, Mr. Wagner was the honoured guest at the cornerstone laying ceremony of the World Academy of Higher Jewish Studies being built opposite Mt. Herzl. He was greeted by the Prime Minister, the Minister for Religious Affairs, Chief Rabbi Herzog and Rabbi Nissim.

Mr. Sharett said that his presence served to recall the Mayor's "illustrious father," Senator Robert Wagner, whom he called "the champion of the humanitarian spirit." Mr. Sharett welcomed Mayor Wagner as a "worthy successor." The Prime Minister pointed out that one-fifth of the native Jewish people lived and prospered in New York City.

In reply, Mr. Wagner said that he was proud to be Mayor of the city with the largest Jewish community in the world, and added that New York City could never have prospered as it had without that community. It was inspiring for him to see what Israel had accomplished in only a few years, and it "probably equals what we have done in 100 years of our own efforts."

Ambassador Lawson spoke of the influence of God-ordained law, one of the most important contributions of Israel tradition to civilisation, on the rise of Western civilisation and modern democratic thought. Returning to the Academy as an Israel-American institution, Mr. Lawson added that "through such unselfish acts of giving . . . the friendship between our two countries is best expressed."

Rabbi Herbert S. Goldstein, who, together with Rabbi Herzog, will direct the Academy, declared that the State must be a "Torah-cracy" which he said should not be confused with "theocracy." The latter is a state bound by theology, Rabbi Goldstein said, and added, "Let us not worry too much about theology."

Greetings were also brought by Rabbi Ze'ev Gold of the Jewish Agency; Mr. A. Gelman of the World Mizrahi Movement; and Rabbi Shlomo Zevin, editor of the Talmudic Encyclopaedia.

After making a radio-telephone broadcast to New York for the National Broadcasting Company from Kol Yisrael studios (in which Mr. Wagner said he was impressed by the determination of the Israel people), the Mayor and Mrs. Wagner were received by President and Mrs. Ben-Zvi.

They then walked a few blocks to the Chief Rabbi's residence where they were greeted by Dr. and Mrs. Herzog.

Last night, Mr. and Mrs. Wagner were guests at a dinner at the President Hotel given by the Minister of Interior, Mr. I. Rokach.

### EDEN HOST TO U NU

LONDON, Monday (UP). — The Prime Minister of Burma, U Nu, was guest at luncheon today at No. 10 Downing Street with Prime Minister Sir Anthony Eden.

## Cairo's 'Zionist Spies' In Desert Camp

Those condemned in the "Zionist spy trial" in Cairo were recently transferred to a desert internment camp near the Biva oasis not far from the Libyan border, the Jewish Chronicle Foreign News Service reports, as quoted by "Ma'ariv" yesterday.

The camp is a former RAF depot converted last year by the Nasser Government into an internment camp for enemies of the regime.

The only one of the condemned left in the Cairo prison is Victorine Nino. The Biva camp houses all the Jews recently condemned for Zionist and Communist activities. Conditions are bad, and internees are cut off from all contact with their families.

With the Gaza tension, a number of Cairo and Alexandrian Jews have been summoned to the special Department for Jewish Affairs in the Egyptian Ministry of Interior and ordered not to leave the country and to report at regular intervals to the police.

Jews going abroad on Egyptian passports have been ordered to report once a year to the local Egyptian Consulate. This instruction stamped in their passports is evidently designed to enable the Egyptian authorities to watch their movements and discover whether they have visited Israel.

### Miller Urges USSR To Reverse Anti-Zionism

WASHINGTON Monday (UP). — Rabbi Irving Miller suggested today that the Soviet Union reverse its anti-Zionist policy as one way of proving it really wants world peace.

He told the closing session of the 58th annual convention of the Zionist Organisation of America that the current Russian policy is to isolate Russian Jews from their co-religionists in the rest of the world, and said that the Soviets should "remove all barriers" for those Jews who want to immigrate to Israel.

### LITTLE CHANGE IN FRENCH SENATE

PARIS, Monday (Reuter). — In yesterday's elections for half the seats in the Senate, little change was effected.

Results for the 123 seats contested in Metropolitan France were: Conservatives, 43 (-1); Gaullists 9, (-4); Popular Republicans 7 (+1) Radicals 32 (+3); Socialistic 22 (+1); Communists 1 (-1); Other Left groups 1 (+1).

## Cables in Brief

**HAIL.** — Hailstones the size of walnuts caused great damage when a terrific storm swept the Swiss Jura town of Porrentruy yesterday. Fruit orchards were completely stripped and vines flattened, while in the town itself, the streets were soon covered with broken glass and smashed tiles.

**QUAKE.** — A fairly strong earth tremor shook Pinsetto north-west Italy, yesterday. It caused no damage.

**CONQUERED.** — Two members of the Princeton University expedition to Tirich Mir Mountain in Pakistan have conquered the 24,340-foot peak in the western Karakorums near Chitral, Karachi Radio reported yesterday. The climbers were Joseph Murphy and Thomas Mutch, who were reported by a Hunza runner to have been badly frostbitten.

**DRIFT.** — The Soviet scientific research station "North Pole 4," set up on an ice floe, has drifted about 800 kilometres during the last two months.

**ASSYRIOLOGIST.** — The Rev. Alexander Kaidel, 48, an expert on the language and literature of ancient Assyria, has died in Chicago, two months after falling ill in Iraq while working on a project on the relationship between Assyrian literature and Bible narratives.

**WAGES.** — China's State Council (cabinet) has decided that from July 1 civil servants would be paid their salaries in food, clothing, housing and other daily necessities, Peking Radio said yesterday. The Council said that the step had been taken to extend "the system of receiving real wages instead of money wages."

**LAMA.** — The Panchen Lama finally has returned to Tibet after spending nearly a year in China. Now called Panchen Ngoerhsehni, he and the Dalai Lama, spiritual and temporal head of Tibet, left Lhasa last September to tour China.

**JAIL.** — Prisoners in French jails downed tools and relaxed in their cells yesterday when their warders went on a part-time strike, demanding a shorter working week and a special dress allowance.


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(Danny has chicken pox. Therefore please postpone visiting with children).

Jud Russak — Rachel Henkin
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MARRIED
June 19, 1955.

We deeply mourn
Jeannette Proujansky
our beloved comrade and co-worker, who passed away while on a visit to New York
Moetzet Hapoalot

# Economic News from Abroad

**U.S. Surplus for the U.K.**

● Arrangements have been made for the supply to Britain of U.S. Government-financed surplus commodities worth $74m. The main commodities will be cotton, maize, oils, fats, citrus and prunes. Britain has turned down offers of canned grapefruit and grapefruit juice, and the total import of fresh grapefruit from America has been limited to $0.8m.

**End of Off-Shore Contracts**

● Much anxiety has been caused in France by the ending of the off-shore contracts from the U.S. Government, which may compel affected industries to convert their plants to other production. Off-shore contracts placed in France rose from less than $350m. in 1951/52 to almost $700m. in the following year, but fell afterwards to some $300m. a year, of which approximately one-half have been for NATO. Prospects for the future are considered rather black in view of the general reduction of off-shore contracts and the entry of Germany into the list of applicants.

**More German Potash**

● The West German potash industry plans to continue its expansion this year in view of good prospects for domestic and foreign sales. An increase in world demand is expected in the near future. German potash production was 1.6m. tons in 1954. Exports, mainly to Britain, Denmark, the Netherlands, Belgium and Japan, accounted for 40 per cent of the output.

**Import Duties Up in S. Africa**

● Several tariff increases have been introduced in South Africa mainly for textiles. The duty on women's dresses will go up from 15 to 25 per cent, on ready-made men's overcoats from 25 to 30 per cent, and on knitted underwear from 25 to 50 per cent.

**U.S. Wheat Policy**

● The U.S. Secretary of Agriculture has announced that the rigid wheat control programme will have to remain in force for the 1956 crop year. The wheat area will be limited to this year's maximum of 55m. acres, the lowest authorised under the law, and growers who overplant their allotments will lose price support. During the past year, the U.S. almost trebled its wheat exports in an effort to get rid of surplus stocks, while Canada, which has generally been selling only for dollars has so far failed to increase her exports.

**Nationalization in the Congo**

● The Governor-General of the Belgian Congo has decided to nationalize the river port of Leopoldsville, despatch point of merchandise into the Belgian Congo. For the past 45 years, the port has been operated by a concessionary company, and part of the quay is leased to several subsidiaries of the Unilever group. The acquisition of the port by the Government will almost complete the nationalization of transport on the Congo River and its tributaries below Stanleyville.

**Banana Wrappings**

● Polythene film is to be used for wrapping all the bananas shipped to Britain or Europe from Jamaica, according to a decision made by the island's Banana Board. It is considered likely that the other banana-growing islands in the West Indies will follow suit before long. The polythene wrapping has been found to give bananas protection from chilling. Being waterproof, it also serves to reduce loss of weight as the banana cools, and considerably reduces the incidence of stem-end rot.


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## POTATO CROP

TNUVA's May vegetable sales were over 40 per cent above May 1953. The main increases were in tomatoes, cucumbers, carrots, beets and onions. Most prices were satisfactory except for beet and onions, which have been grown in excessive quantities.

Potato deliveries were 30 per cent above last year's and prices dropped so that deliveries to cold storage were resorted to earlier than in 1954. 1,700 tons were in storage by the end of May (compared with 1,900 tons delivered in that month) as against only 450 tons at the same date a year ago. Additional quantities have also been stored by farmers.

THE persistent weakness of the black market for foreign currency in the face of rapidly rising money circulation, which is almost certainly outstripping the rise in domestic production if the increased velocity of circulation is taken into account, is worth investigating by an expert economist.

**TOO MANY DOLLARS ?**

To be sure, this tendency has been assisted by improved control over foreign currency sources and uses, in particular by the abolition of "import without payment" (although similar transactions, in a disguised form, are still frequent enough). The increased supply of semi-luxuries, "scrip commodities" and other odd imports from legal sources has also tended to reduce the black demand for foreign currency (the one major exception being travel expenses abroad). But these factors cannot be regarded as decisive.

Much has been said about the restraining influence of the high rate of interest on speculation, but this explanation is also insufficient. For interest is the price paid for the use of capital, and the present rates reflect not only credit shortage but also the expectation of high profits, i.e. the assumption that the buoyant trend of our economy will continue. This could easily be interpreted as inflationary in the long run, yet the bearish side-effect that could be expected on the rate of exchange fails to produce itself as a matter of fact:

The next obvious conclusion is therefore that capital flight, which was the major cause of the weakness of our currency, must now have stopped, and a stable equilibrium in a free market could become a practical proposition in the near future, though perhaps at a somewhat higher level than the present official rate.

No doubt confidence in the pound has also been strengthened by the spectacular accumulation of foreign currency reserves which has been proceeding almost continuously for over a year. From almost nil these reserves of the Issue Department and later of the Bank of Israel rose to IL33.5m. at the end of 1954 and to IL46.5m. at the end of May. The foreign currency holdings of commercial banks also increased by leaps and bounds from IL19.2m. net at the end of January 1954 to IL46.8m. at the end of January and to IL42.2m. by the end of April. Thus we now rest upon a cushion of about $100m., which is approximately one-third of our annual foreign currency gap, with the prospect that this cushion will grow somewhat in volume as time goes on.

This pleasant picture, however, leaves room for apprehension from two different angles. First, the accumulation of foreign currency balances has not been the result of organic development. Of the $60m. surplus attained during 1954 only some $30m. were the result of increased exports, while the other half came from an increased flow of German reparations and private transfers (mainly compensation funds). There is no reason to expect that the export situation will improve this year. The surplus balances are therefore a temporary phenomenon which cannot be relied upon in the long run.

But in addition the very fact that reserves are accumulating is somewhat paradoxical in a country that stands so much in need of both foreign currency and money capital for development purposes; and while the Treasury has been seeking ways and means of preventing the exchange of surplus foreign currency into pounds in order to stem additional purchasing power, the naive question should perhaps be asked why this exchange cannot be directed into productive channels. Evidently even domestic capital is invested reluctantly unless it is accorded very special benefits and inducements.

# Erratic Policy of Textile Imports

By A Correspondent

SOMETHING is wrong with the administration of textile imports. The spinning mills claim that excessive yarn imports prevent them from selling their stocks, and that irregular allocations of raw materials hinder them from reaching full capacity. The weaving factories complain of excessive imports of piece goods and ready-made goods which could have been produced locally. The textile shops are flooded with fabrics which were obviously produced abroad and no one can explain how they got there. It is therefore worthwhile having a look at the official textile import statistics (in thousands of dollars).

| | 1950 | 1951 | 1952 | 1953 | 1954 |
|---|---|---|---|---|---|
| Raw cotton | 2,580 | 2,956 | 3,856 | 3,421 | 4,480 |
| Raw wool | 970 | 1,214 | 695 | 1,321 | 2,151 |
| Rayon and staple fibre | 2,171 | 1,260 | 1,866 | 1,440 | 1,483 |
| Total raw materials | 5,547 | 5,856 | 6,422 | 6,676 | 8,560 |
| Thread and yarn | 6,804 | 7,424 | 2,349 | 4,927 | 4,262 |
| Cotton piece goods | 4,627 | 6,584 | 5,895 | 3,130 | 1,629 |
| Wool fabrics | 1,114 | 2,366 | 1,286 | 548 | 347 |
| Rayon piece goods | 1,466 | 1,419 | 1,739 | 1,328 | 1,815 |
| Wearing apparel | 2,429 | 4,147 | 4,604 | 3,189 | 1,980 |
| Total finished goods | 9,636 | 14,340 | 10,935 | 7,982 | 5,930 |

The sum total of textile imports did not change much during this period and was actually lower in 1954 than in 1950 ($18.9m. compared with $21.2m.) despite the great increase in population and the rise in the standard of living. This has been made possible by increased domestic production, and accordingly, the share of raw materials in total textile imports has risen continuously from 26 per cent in 1950 to over 40 per cent last year.

However, the table above shows that almost 30 per cent of textile imports is still accounted for by finished goods and another 21 per cent by semi-finished articles (even if rayon is considered a raw material, contrary to international usage). During 1950 and 1951, when our industry was badly equipped and short of skilled manpower and the country swamped by an unexpected population influx, it was understandable that the Jewish Agency should import large quantities of piece goods and even ready apparel for poorly clad immigrants. To maintain a heavy proportion of ready-made and half-finished textile imports, however, at a time when local industry is already fully equipped and even failing to utilize its full capacity, must be a grave mistake.

**Raw Material Needed**

On the other hand, imports of raw materials for the local industry fail to show the regular development that would allow the optimum utilization of our local equipment. Thus, the cotton mills claim that more regular allocations of raw cotton would allow them to increase their output considerably. As a matter of fact, while large quantities of cotton yarn have been imported, the supply of raw cotton has often been too short to allow full-scale production.

The irregularities of cotton yarn import are so marked that they cannot be explained away by referring to unstable demand. It is rather difficult to detect any planning in the figures for yarn import:

| | |
|---|---|
| 1950 | 920 tons |
| 1951 | 1,644 " |
| 1952 | 350 " |
| 1953 | 1,300 " |
| 1954 | 620 " |

It seems as if the aim of import policy was to cause a yarn shortage one year and a yarn surplus the next, so as to avoid stability and sound supply by every means. That this policy is not at all dead and buried is shown by the estimates for the current year, which again envisage a surplus of yarn imports despite the cotton spinners' protests.

**Low Prices Recorded**

The imports of raw wool reflect a steady increase in the home production of woollen and worsted yarn (also with a setback in 1952), but imports of woollen yarns again show marked variations which cannot be explained away by changes in the volume of home demand and export turnover:

| | |
|---|---|
| 1950 | 827 tons |
| 1952 | 211 tons |
| 1954 | 502 tons |

A similar instability is reflected by the import figures for rayon filament yarns, with the highs coinciding with cotton lows and vice-versa. Thus, in 1950, rayon imports totalled 583 tons, in 1951, 175, in 1952, 488, and in 1953, 920. The capacity of the home industry seems to be at least 1000 tons, but instead of supplying it with desperately raw materials, the authorities allowed increasing imports of rayon cloth, the 1954 figure representing a peak in this respect. Staple fibre imports were steadier, but here, too, the increased local production seems to be annoying some planners, and so the programme for 1955/56 limits this import to $525,000 compared with about $779,000 on the average for the preceding three years.

The picture outlined above is based on official statistics. They do not reveal how the big 1954 imports of piece goods and apparel were paid for. Only a small part was declared as imports for export purposes and little was imported for the Jewish Agency and other institutions.

It is also of interest that the statistical import prices of ready-made fabrics — some of which are luxuries — are astonishingly low; thus, in 1954, the average import price of mackand and gobelin was $2.88 a kg. compared with $2.71 a kg. for cotton yarn. This may have something to do with the fact that these prices serve as a basis for calculating the quantities covered by an import licence and for determining customs duties and luxury tax.

**Carbon Paper Export**

A FIRST trial order for £1,000 worth of carbon paper has been received from South Africa by the Onlya factory.

# Readers' Letters

**HISTADRUT POLICY**

Editor, The Jerusalem Post

Sir, — The Histadrut — a general workers union — is called upon to protect the workers' interests, particularly with a view to the welfare of the country in general. We have arrived at the absurdity that the self-same organization has become the protector also of the lazy and inefficient worker, at the expense of his more efficient colleagues and the country in general. The reasons (felt especially by those associated with Histadrut-sponsored undertakings) are two:

1. Employment policy — Once a worker has spent a certain time with a firm, he becomes a permanent employee. For unskilled labour, the trial period is fixed at three months, which means that three months after his having been hired, it is practically impossible to discharge him, even if his productivity has fallen 50 per cent or more below par. Absenteeism is also considered insufficient reason for dismissal.

2. Wage policy — This policy is the anachronistic remnant of the pioneering period, long before the establishment of the State, when the Yishuv consisted to a large degree of intellectuals, while the country called for unskilled labour — in orange groves, on the roads, to a great extent in the kibbutzim. It was designed to encourage people to leave the professions requiring skill and to switch to simpler, "productive" occupations.

And in spite of the change (to normal) conditions, this attitude persists today. When the physicians struck, their request for a monthly salary of IL 250-300 was considered exorbitant. When the bus cooperatives threatened to strike, the Histadrut Executive agreed to a IL 400 monthly income for a driver-mechanic. The same holds true in the field of manual labour. The first-class electrician (or fitter-mechanic) in the Histadrut makes only about IL 15-20 more (net) than the skilled labourer or operator.

Besides, the present wage policy kills every ambition in both the intellectual employee and the mechanic. Slogans won't help any more. The raising of the legitimate earnings of a few thousand intellectuals and highly skilled tradesmen certainly won't lead to inflation but to much higher productivity and less waste — unless of course it is automatically followed by a general raise in wages, which would be entirely unjustified considering the above facts.

To carry out these changes of policy, clear minds and determination are required. The answer rests with the new Histadrut Executive.

Yours, etc.,
CITIZEN

*(Name & Address Supplied)*
Migdal Ashkelon, June 7.

**"MIKDAMA" LOTTERY**

Editor, The Jerusalem Post

Sir,—Referring to your mentioning of "experts from the Holland Bank Union" in your article "Dismay about drawing of Mikdama Lottery," in your issue of June 16, I shall be grateful to you if you will publish the following information:

1. During the past six years, I have, in an honorary capacity, worked out on behalf of the Treasury the drawing schemes for the various Popular Loans.
2. At the request of a high official of the Treasury I made a draft of a drawing scheme for the Mikdama Lottery. No difficulties or complaints should have arisen, if the scheme proposed by me were followed without modifications.
3. Though a change has been made in the original proposal, bringing about the possibility of concentration of the top-prizes, the Treasury did not contact me with respect to the system of the delivery of the bonds to the public.

Yours etc.,
*S. BORT*
*Manager of the Israel District of the HOLLAND BANK UNION*
Tel Aviv, June 17.

# Steimatzky's Column

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# REPARATIONS PROGRESS

DURING the past few weeks a number of important orders for raw materials have been placed within the framework of German Reparations. Negotiations have been concluded for the acquisition of 25,000 tons of fertilizers, first shipments of which will reach Israel within two months. It will be presumably the last time Israel imports ammonium fertilizers before the Haifa plant starts production next fall.

This year's rubber purchases, totalling 1,500 tons, have been nearly completed and first supplies should arrive by end of June. 750 tons of rayon have been included in the supply programme for the two tire factories at a cost of DM 8m. Orders have been placed for 2,000 cu. m. of timber valued at DM 0.6m.

Progress has also been achieved in the negotiations concerning the acquisition of industrial machinery and equipment on credit terms, to be paid out of the Reparations instalments of the coming years. The total amount discussed is now about DM400m. The programme includes among others equipment for chemical plants, for the copper plant and for the big Diesel works planned by Solel Boneh.

## LUXURY DEMAND

PRODUCTION figures published in the latest issue of the Monthly Statistical Bulletin reveal increases in the output of several semi-luxuries and can be taken as rough indications of the higher domestic demand for them.

Thus, biscuit production was 10 per cent higher in December-January than in the corresponding period a year ago, and wafer output was 30 per cent higher, although the population increased by less than five per cent. There was a slight decline in chocolate production, but pastry advanced by 12 per cent and halva output doubled. Higher export of biscuits and halva accounted for only part of the increment.

The consumption of motor fuel has also reportedly jumped up in recent months. Other increases included toilet soap, cigars, arak, corn-flour and cognac, but beer and cigarettes were stationary.

## EXPANDED HOUSING

WHILE total building completed in urban areas in 1954 took up slightly more space than in the preceding year, non-residential building declined by one-third and accounted for only one-quarter of the total, compared with over 40 per cent in 1953, recently published statistics reveal.

Another aspect of last year's building activity was the substantial expansion of rural housing. The number of rooms completed in villages and some smaller towns was 14,000 (compared with 12,340 there in 1953, and 8,500 in Tel Aviv in 1954), of which over 6,000 were for immigrants. As a matter of fact, rural housing accounted for almost one-half of the total residential buildings completed in 1954. The difficult financial position of the *kibbutzim* is reflected in a slight fall, which is, however, to be corrected in the near future by a special work of the Government housing scheme.


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# Stocks and Commodities

## Tel Aviv Market Generally Bearish

WITH the bearish trend spreading to almost all sections of the market, there were very few bright spots during the week, marked by a number of considerable losses in a number of securities.

Palestine-Potash 2nd Pref. improved by 5 points, Rassco Bearer Bonds 2nd Issue and Teva Shares advanced by some 2 points. On the other hand, Bank Leumi shares lost 20 points in a single week, after having eased in the previous week by 5 points. This development is accompanied by a slight drop of these shares in London.

Another conspicuous loss was Milve Hova. After the ex-coupon adjustment, it lost some 5 points in a few days, the demand for these bonds having apparently slackened while offers are still being maintained. On the same bearish side was also a long list of securities including Tavei Dollar, which receded by 1 point, and a number of other Government securities, Palestine Potash Ordinary shares, Palestine Electric 2nd pref., Ata, Kur-danch, Moller-Dee, Nesher "A", and "B", Pal. Cold Storage, Lodzia and others.

## New York Continues Cheerful

THE week closed very steady on Wall Street, with gains spread and consolidated. Brokers expressed an opinion that sentiment is currently being aided by good company news, by the possible reduction of bank reserves requirements and by forecasts of even higher levels of employment. Persistently rising freight traffic is making for an improvement in rail issues. The Dow-Jones Average for 30 Industrials was 444.06 as against 437.72 last week, while the average for 20 Rails was 161.16 as against 160.56 a week ago.

## London Quietly Firm

THE London market has been taking it rather more quietly after last week's boom, but the general tone remained firm with a number of bright features. There has been a fair amount of profit-taking but sentiment was aided by general satisfaction with the Chancellor of the Exchequer's statement in the House of Commons on the economic situation. Shortage of stock is still tending to push prices upwards, while good company announcements continue to come in. Reuter's Industrial Index was 253.0 as against 251.2 a week ago.

1954-1955 was the most active of all postwar years, the Stock Exchange Council reports in its yearly statement. 3,212,749 transactions were marked in comparison with 2,198,257 in 1953-1954. The most active month was the last one of the year, with 1,000,000 transactions. The market value of the securities rose during the past year from £50,382m. to £55,780m. and the Financial Times Ordinary Shares Index rose from 138.9 to 181.9.

It is reported that the note circulation of the Bank of England has reached a new high of £1,787.8m. £52m. higher than a month earlier and almost £147m. above a year ago. The quarterly survey of bank-lending shows that loans by U.K. banks jumped by £94.3m. between February and May to reach the record level of £2,189.9m. despite the financial credit squeeze. This year's May figure was £300m. higher than last year's and £134m. above the peak level of the inflationary phase of 1951-52.

## Russia Buys Rubber and Sugar

RUSSIAN and Polish purchases of natural rubber in London appear to have contributed to the sharp rise of spot rubber, which reached 31½d per lb. this week. The switch to the expansion of heavy industry in Russia explains the increase of consumption of rubber in that country which has now re-entered the European market for this commodity after an absence of over two years. Copper has also been very firm, advancing to above £350 per ton in comparison with £340 last week. Reuter's U.K. Commodity Index was 498.4 as against 496 last week and 490.5 a month ago.

The "free" world market in sugar has also made a remarkable recovery, with demand exceeding the most optimistic expectations due to the emergence of Russia as an important buyer this month. The world price of raw sugar touched 3.61 c. per lb., which is 16 points above the minimum prescribed by the International Sugar Agreement. Last week Russia bought another 120,000 tons of refined sugar from Cuba. France is expected to conclude a barter deal whereby she will build a tunnel under Havana Bay in return for 400,000 tons of raw sugar to be delivered over the coming two years.

**Gold**

In Paris the market was generally quiet and trading moderate. In London, with the removed cut-back of the pound sterling, the gold price rose to 35/1 per fine ounce.

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## TOMATO SUBSIDY

AFTER protracted negotiations the subsidy for surplus tomatoes for puree has again been set at IL40 a ton. This time, however, it will be borne entirely by the Treasury (which gave IL35 last year), while the Minimum Prices Fund has so far declined to participate. Moreover, the subsidy will be limited to a quantity of 4,000 tons, while last year 10,000 tons were subsidized.

The price paid to farmers has again been fixed at IL100, out of which IL40 will be paid by the manufacturer. An additional subsidy may be considered at a later stage (last year IL10 a ton were added by the Minimum Prices Fund at the close of the season). Six tons of tomatoes are required to produce one ton of puree and transport, packing, overhead, etc. add another IL40 a ton. Export prices for puree fluctuated between £120 and £130 a ton f.o.b. last year, but are considerably lower at present. The season, however, is just beginning.

## Tel Aviv Stock Market

JUNE 20, 1955

| | |
|---|---|
| Pay. Loans 1949/49 (IL.10) | 104 |
| 4½% Travel Dollar 57) | 67 |
| 3½% Gov. Bds. (large) | 93 |
| 6% Reg. Sterling "A" c) | 93 |
| 6% Reg. Sterling "B" | 93 |
| Pal. Reserve Bds. Ser. I | 101 |
| Bk. Leumi ord. sh. d) | 240 |
| A.P.B. Investm. ord. sh. "B" c) | 1662 |
| Gazit ord. sh. "B" c) | 2011 |
| Elkeyn's Inv. ord. "B" | 300 |
| P.E.C. Inv. ord. "B" sh. | 202 |
| Gen. Mortg. Bk. ord. sh. | 85 |
| Rassco 6% debs 52/62 | 98 |
| Rassco 6% debs. (bear) | 99 |
| Nir 6% Debs. (bear) | 99 |
| 5% pref. sh. | 76½ |
| Pass 6% debs. 62/64 reg. | 94 |
| "Invs" 5% debs. | 94 |
| I.L.D.C. ord. sh. reg. | 138 |
| 5% debs. | 97½ |
| Atr. Pal. Inv. ord. sh. | 202 |
| Rassco 6% pref. ord sh. | 91½ |
| Pal. Potash 6% pref. sh. | 272 |
| "A" ord. change | 350 |
| Pal. Elec. ord. sh. (Inv.) | — |
| Pal. Elec. pref. sh. (Ldn) | 288 |
| Nahareth pref. sh. | 49 |
| Ata ord. "B" sh. | 1250 |
| 6-6½% conv. debs. | 94 |
| "Kurdanch" ord. "B" sh | 131 |
| 7% conv. debs. 58/68 | 105½ |
| Moller-Dee ord. sh. rez. E | 880 |
| Pal.-Brewery 9% con. sh. | 202 |
| Assis Bejarano "B" sh. | 155 |
| "Tivol" ord. sh. | 1140 |
| Nesher 6% debs. "A" | 111 |
| 6% debs "B" a)c)d) | 1250 |
| Pal. Cold St 7% debs. c) | 145 |
| ord. sh. reg. (full div.) | — |
| Pal. Coats. Tr 9% debs. | 96½ |

Notes: a) purchasing price; b) selling price; c) ex-coupons; d) ex-dividend; e) ex right x) Protest; y) 5/8/13


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## I.L. FEUCHTWANGER BANK LTD.

BALANCE SHEET AS AT DECEMBER 31, 1954

| 31.12.1953 IL. | LIABILITIES | IL. | IL. |
|---|---|---|---|
| | SHARE CAPITAL | | |
| | Authorised: | | |
| 300,000 | 300,000 Ordinary Shares of IL.1 each | 300,000 | |
| | Issued and fully paid : | | |
| 160,000 | 160,000 Ordinary Shares of IL.1 each | | 160,000 |
| 30,000 | General Reserve | | 30,000 |
| 1,744,584 | Current, Deposit, Saving and other accounts, including IL.100 current account of a Subsidiary Co., income received in advance, provision for income tax, and balance of Profit and Loss Account | | 4,164,990 |
| 2,236,857 | | | 4,354,990 |
| 7,77,845 | Liabilities on account of customers for confirmed documentary credits and guarantees | | 882,783 |
| 2,514,502 | | | 5,237,773 |

| 31.12.1953 IL. | ASSETS | IL. | IL. |
|---|---|---|---|
| 159,034 | Cash in hand | 166,892 | |
| 1,005,550 | Banks and correspondents in Israel and abroad | 2,319,147 | |
| 1,744,584 | | | 2,386,039 |
| 162,100 | Government Loan | | 192,100 |
| 111,988 | Other Securities, at cost or at market value, whichever lower, including IL86.- shares in Subsidiary Company | | 122,061 |
| 221,469 | Bills discounted | 121,225 | |
| 1,856,565 | Loans, Advances and other accounts | 1,513,564 | |
| 1,578,034 | | | 1,644,789 |
| 1 | Office Furniture at nominal value | | 1 |
| 2,236,857 | | | 4,354,990 |
| 7,77,845 | Liabilities of customers for documentary credits and guarantees | | 882,783 |
| 2,514,502 | | | 5,237,773 |

Statement pursuant to section 197 of the Companies Ordinance 1929—1955:
The subsidiary company which was formed in the second half of 1954 has not yet drawn up its first balance sheet.
Dr. Jacob Leo Feuchtwanger, Director
Walter Feuchtwanger, Director.

*On behalf of the Board of Directors :*
Dr. Jacob Leo Feuchtwanger
Director
Walter Feuchtwanger, Director

Note: Pounds Sterling have been taken at the rate of IL. 5.040 and all other currencies at corresponding rates, except in those cases where the Foreign Exchange Control fixed a different rate of exchange.

REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF I.L. FEUCHTWANGER BANK LTD.

We have audited the above Balance Sheet and the Profit and Loss Account annexed thereto, and have obtained all the information and explanations which to the best of our knowledge belief, were necessary for the purpose of our audit. In our opinion proper books of account have been kept by the Bank so far as it appears from our examination thereof. We have verified the cash in hand and with banks, the bills discounted and the securities.

The said Balance Sheet and Profit and Loss Account are in agreement with the books of account. In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet gives a true and fair view of the state of the Bank's affairs as at December 31, 1954 and the Profit and Loss Account gives a true and fair view of the result of the business of the Bank for the year ended on that date.

Tel Aviv, May 30, 1955.

BAWLY, MILLNER, BIRCH & CO.
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